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FM AMEMBASSY KUWAIT
TO SECSTATE WASHDC IMMEDIATE 0502
INFO ARAB LEAGUE COLLECTIVE
AMCONSUL DHAHRAN
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USCINCCENT MACDILL AFB FL
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C O N F I D E N T I A L SECTION 01 OF 02 KUWAIT 04364

ALSO FOR POLAD LONDON FOR MILLIKAN

E.O. 12356: DECL:OADR TAGS: PGOV PREL KU IZ

SUBJECT: KUWAITI CABINET REJECTS "ARM-TWISTING" AS TALKS WITH IRAQ BEGIN JULY 31

REFS: A) FBIS LD2907132990
- B) FBIS LD2907140990
- C) FBIS LD2907143190
- D) FBIS LD3007173490
- E) FBIS LD2907150590
- F) FBIS LD2907171890
- G) FBIS JN2907075290
- H) FBIS JN2907074290

- 11. (U) SUMMARY. KUWAIT'S CABINET JULY 29 WELCOMED TALKS WITH IRAQ -- NOW SET TO BEGIN IN JEDDAH JULY 31, CALLED FOR A "FAIR AND CONCLUSIVE SETTLEMENT," AND REJECTED "ALL FORMS OF ARM-TWISTING, INTIMIDATION, AND THE USE OF FORCE." THE CABINET ALSO VOICED ITS APPROVAL OF DECISIONS TAKEN BY OPEC TO RAISE OIL PRICES AND WAS BRIEFED ON VISITS BY ARAB LEADERS, INCLUDING YASSER ARAFAT. END SUMMARY.
- 12. (U) STATE MINISTER FOR CABINET AFFAIRS DR.
  ABDULRAHMAN AL-AWADI JULY 29 SAID THE CABINET WELCOMED PROPOSED TALKS BETWEEN KUWAIT AND IRAQ, NOW SCHEDULED TO BEGIN IN JEDDAH JULY 31. THE CABINET EXPRESSED ITS "SINCERE DESIRE" FOR A SUCCESSFUL MEETING WHICH WOULD HELP PRODUCE A "FAIR AND CONCLUSIVE SETTLEMENT OF ALL OUTSTANDING DIFFERENCES." THE MINISTERS EXPRESSED APPRECIATION FOR ARAB LEADERS' EFFORTS, ESPECIALLY THOSE OF PRESIDENT MUBARAK AND KING FAHD, AND REITERATED KUWAIT'S REJECTION OF "ALL FORMS OF ARM-TWISTING, INTIMIDATION, AND THE USE OF FORCE IN SETTLEMENT OF DISPUTES AMONG BROTHERS." (REF A AND B FBIS REPORTS)
- 13. (C) THE CABINET ALSO EXPRESSED SATISFACTION WITH RESULTS OF THE RECENT OPEC MINISTERIAL AND HOPED ALL MEMBER STATES WOULD ABIDE BY THEIR QUOTAS. AL-AWADI ADDED THAT KUWAIT "ASPIRES" TO RAISE OIL PRICES, BUT ONLY WITHIN THE FRAMEWORK OF A COLLECTIVE AND BINDING OPEC AGREEMENT. HE NOTED THAT INCREASED OIL REVENUES WOULD RAISE THE STANDARD OF LIVING IN THE GULF STATES, BUT SAID THAT "THE PROCESS OF RAISING PRICES DOES NOT TAKE PLACE UNTIL THE EXPERTS SO RECOMMEND." (COMMENT: I.E., UNTIL MARKET CONDITIONS ALLOW IT. END COMMENT) (REF C FBIS REPORT)
- CROWN PRINCE/PRIME MINISTER SHAIKH SAAD (U) AL-ABDULLAH BRIEFED THE CABINET ON RECENT VISITS BY ARAB LEADERS TO DISCUSS THE KUWAIT-IRAQ DISPUTE, INCLUDING ARAB LEAGUE SECRETARY GENERAL KLIBI (JULY 26), EGYPTIAN PRESIDENTIAL ADVISOR OSAMA AL-BAZ (JULY 26), SAUDI FOREIGN MINISTER SAUD AL-FAISAL (JULY 28), AND PLO LEADER YASSER ARAFAT (JULY 29). THE CROWN PRINCE WILL LEADER YASSER ARAFAT (JULY 29). LEAD KUWAIT'S DELEGATION TO THE JEDDAH TALKS. THE DELEGATION WHICH DEPARTED FOR JEDDAH AT 1000 JULY 31, INCLUDES MINSTATE FOR FOREIGN AFFAIRS SHAIKH NASSER MOHAMMED AL-AHMED, MFA U/S SULAIMAN MAJID AL-SHAHEEN, OIL MINISTER DR. RASHEED AL-AMIRI, JUSTICE MINISTER DHARI AL-OTHMAN, AS WELL AS OTHER OFFICIALS FROM THE CROWN PRINCE'S DIWAN, FOREIGN AFFAIRS AND OIL. (REF D FBIS REPORT)

- 15. (U) DURING THE CABINET MEETING READOUT, AL-AWADI SAID THE AGENDA FOR THE JEDDAH MEETINGS WAS KNOWN BY BOTH SIDES BUT DIDN'T EXPAND ON THE SUBJECT. IN RESPONSE TO A QUESTION ON WHETHER THE DISPUTE WOULD BE RAISED AT THE UPCOMING OIC MINISTERIAL, HE STRESSED THAT KUWAIT WANTS TO SEE THE PROBLEM SOLVED WITHIN AN ARAB FRAMEWORK. (REF E FBIS REPORT)
- 16. (U) BEFORE DEPARTING KUWAIT MIDDAY JULY 29, ARAFAT TOLD REPORTERS HIS MEETINGS WITH THE AMIR AND THE CROWN PRINCE HAD BEEN "POSITIVE AND CONSTRUCTIVE." ISSUES DISCUSSED INCLUDED SOVIET JEWISH EMIGRATION TO THE OCCUPIED TERRITORIES AND THE UPCOMING JEDDAH TALKS. ARAFAT EXPRESSED HOPE THAT THE JEDDAH TALKS WOULD PUT AN END TO THE CRISIS THAT "HAS TARNISHED RELATIONS BETWEEN ARAB BROTHERS." (REF F FBIS REPORT)
- 17. (U) IN OTHER BUSINESS, FINANCE MINISTER SHAIKH ALI KHALIFA AL-ATHBI REPORTED ON HIS RECENT TALKS IN MUSCAT WITH OTHER MEMBERS OF THE GCC TRIPARTITE COMMITTEE CHARGED WITH STUDYING THE IMPACT OF RECENT INTERNATIONAL CHANGES IN THE GULF STATE.
- (C) COMMENT. THE CABINET'S "ARM-TWISTING" STATEMENT WAS LIKELY A RESPONSE TO EDITORIALS OUT OF BAGHDAD WHICH CONTINUE TO PRESS IRAQ'S CASE PUBLICLY AND WHICH, KUWAITIS FEEL, DEMAND THAT KUWAIT ACT LIKE A DOORMAT IN ITS TALKS WITH IRAQ (REF G AND H FBIS REPORTS). THE CABINET STATEMENTS ARE A SIGNAL TO BAGHDAD THAT THE KUWAITIS WILL NOT BE EASILY ROLLED. NOTE THAT THE DPM/FM SHAIKH SABAH AL-AHMED AND FINANCE MINISTER SHAIKH ALI KHALIFA AL-ATHBI WILL NOT ATTENT THE TALKS. AS FORMER OIL MINISTER AND THE ARCHITECT OF KUWAIT'S OIL POLICY, SHAIKH ALI KHALIFA IS NOT WELL-LIKED BY THE IRAQIS AND SO HIS ABSENCE IS POLITIC. THE ABSENCE OF ANY FINANCE OFFICIALS AT ALL, HOWEVER, IS PROBABLY MEANT AS A SIGNAL THAT THE GOK INTENDS THESE TALKS TO BE MORE THAN A NEGOTIATION ON HOW MUCH PROTECTION MONEY IT WILL TAKE TO PAY OFF IRAQ FOR THE TIME BEING. END COMMENT.

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